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RECORDATION NO. _____ Filed & Recorded

ASSIGNMENT OF CONTRACTS

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INTERSTATE COMMERCE COMMISSION

THE STATE OF TEXAS X
 X
COUNTY OF HARRIS X

KNOW ALL MEN BY THESE PRESENTS:

THAT this **ASSIGNMENT OF CONTRACTS** (the "Assignment") is made this 19th day of September, 1986, by John T. Golden ("Borrower") to Allied Bank of Texas, a Texas Banking Corporation ("Bank"):

WITNESSETH:

WHEREAS, Borrower has this day borrowed the sum of \$34,772.12 from the Bank (the "Loan") and has executed one certain promissory note (the "Note") of even date to evidence such indebtedness; and

WHEREAS, to secure the Note, Borrower has executed a Security Agreement of even date herewith (the "Security Agreement") and has agreed to secure the Note in part, by an assignment of the Contract attached hereto as Exhibit "A" (referred to as the "Contract") and by certain other documents, (the "Note", the "Security Agreement," and any other documents securing the Note shall be referred to as the "Security Instruments"); and

WHEREAS, as one of the conditions to making the Loan, the Bank has required this Assignment;

NOW, THEREFORE, the Borrower agrees as follows:

1. Assignment. Borrower hereby assigns, transfers and sets over to the Bank all right, title and interest of the Borrower in the Contract and any of Borrower's rights thereunder, including all monies due or to become due.
2. Representations and Warranties. Borrower represents and warrants the following:
 - (a) there has been no prior assignment or pledge of the Contract or of any of Borrower's contract rights thereunder;
 - (b) no default or event of default exists in the Contract on the part of any party thereto;
 - (c) this Assignment does not violate any of the terms or conditions of the Contract;
 - (d) the Contract is in full force and effect and Borrower knows of no threatened default on the part of any party to the Contract;

J. T. Golden
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- (e) there exists no litigation regarding the Contract which would have a material adverse affect on the enforceability of the Contract;
- (f) the Contract violates no applicable governmental regulation, whether state, federal or local and Borrower knows of no proposed or contemplated action by any governmental unit which may have a material adverse effect on the enforceability of the Contract;
- (g) to the best of Borrower's knowledge and belief, no party to the Contract is insolvent, has sought protection of any debtor relief laws, including bankruptcy, and each party is fully capable of performing its obligations under the Contract;
- (h) to the best of Borrower's knowledge and belief, no party to the Contract intends, or has given notice of intention to terminate the Contract pursuant to any termination provisions in the Contract.

3. Restrictions on Assignment. Borrower will not, without Bank's prior written consent take any of the following actions:

- (a) execute any assignment or pledge of the Contract or the contract rights thereunder;
- (b) modify, extend or otherwise alter the terms of the Contract;
- (c) accept prepayments of any monies to become due under the Contract;
- (d) in any manner impair the value of the Contract or of this Assignment.

4. Borrower's Duties. Borrower, at its sole cost and expense, will do the following:

- (a) at all times promptly perform all covenants, obligations or duties to be performed by it in the Contract;
- (b) enforce and secure the performance of all of the covenants, obligations and duties of the other parties to the Contract;
- (c) appear in and defend any action or proceeding arising under, growing out of or in any manner related to the Contract and pay all costs and expenses of the Bank, including all reasonable attorneys fees in any such action or proceeding in which the Bank may appear;
- (d) transfer and assign to the Bank any and all agreements of substantially similar nature as the Contract, which agreements shall become subject to this Assignment as if originally a part hereof; and execute and deliver to the Bank upon demand, any and all instruments required to effectuate such assignment;


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- (e) furnish to the Bank, within ten (10) days after a request by the Bank to do so, a written report regarding the status of the Contract, the existence of any defaults thereunder, and containing such other information regarding the Contract as reasonably required by the Bank;
- (f) when requested by the Bank, obtain from each party to the Contract a certificate with respect to the status thereof;
- (g) furnish the Bank promptly with copies of any notices of default which Borrower may at any time receive from any party to the Contract or which Borrower may send to any party to the Contract;
- (h) furnish to the Bank, within ten (10) days after a request by the Bank to do so, a written statement signed by an officer of Borrower certifying that each of the representations and warranties set forth in Section 2 above continues to be true and correct, that Borrower has fully and completely performed all of its duties in this Section 4 and certifying any other matter reasonably requested by the Bank;
- (i) pay immediately upon demand all sums expended by the Bank under the authority of this Assignment, together with interest thereon at the maximum rate of non-usurious interest allowed from time to time by applicable law;
- (j) furnish to the Bank within ten (10) days after a request by the Bank to do so, copies of all invoices, correspondence, appraisals, professional reports or any other documentation in any way related to the Contract as requested by the Bank; and
- (k) keep and maintain satisfactory and complete records of the business transactions under the Contract including, but not limited to, a record of all payments made or received, or credits granted or received thereunder.

5. Bank's Rights. Bank shall have the following rights to be enforced at its sole discretion:

- (a) Should Borrower fail to make any payment due or perform any covenant, obligation or duty under the Contract then the Bank may, but shall not be obligated to, make or do the same in such manner and to such extent as it may deem necessary to protect its interest in this Assignment, including specifically, but without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect this Assignment or the Contract or the rights or powers of the Bank, and also the right to perform and discharge each and every obligation, covenant and agreement of Borrower in the Contract, and in exercising any such powers to incur


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and pay necessary costs and expenses, including reasonable attorneys' fees, and Borrower shall reimburse the Bank therefor, upon demand, together with interest thereon at the maximum rate of non-usurious interest allowed from time to time by applicable law.

- (b) Bank shall not be obligated to perform or discharge any covenant, obligation or duty under the Contract by reason of this Assignment, and Borrower shall indemnify and hold the Bank harmless from all liability, loss or damage which it may incur under the Contract or by reason of this Assignment and from all claims and demands whatsoever which may be asserted against it by reason of any alleged obligations on its part to perform or discharge any of the covenants, obligations or duties contained in the Contract. Should the Bank incur any such liability, loss or damage under the Contract or by reason of this Assignment, or in the defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be deemed secured hereby and by the Security Instruments and Borrower shall reimburse the Bank therefor, upon demand, together with interest thereon at the maximum rate of non-usurious interest allowed from time to time by applicable law.
- (c) In the exercise of the powers herein granted the Bank, no liability shall be asserted or enforced against the Bank, all such liability being expressly waived and released by Borrower.
- (d) Borrower does further specifically authorize and instruct each party to the Contract to make all payments of monies, or delivery of goods pursuant to the Contract directly to the Bank upon receipt of demand from the Bank to do so, and in general to accord the Bank all of the rights of Borrower under the Contract, and Borrower hereby waives any right, claim or demand it may now or hereafter have against any such party by reason of such action by such party or such party's compliance with other requirements of the Bank pursuant to this Assignment. Borrower shall execute such documents as may be required by any party to the Contract to evidence Borrower's agreement set forth in this subsection 5 (d).
- (e) Bank shall have the right to audit, or cause to be audited, the books and records of Borrower related to the Contract and the expense of such audit if performed by a third party, shall be paid by Borrower. In the performance of such audit, or at any time requested by the Bank, the Bank shall have the right to full and free access to all books and records of the Borrower relating to the Contract.

6. Power of Attorney. Borrower irrevocably constitutes and appoints the Bank as its lawful attorney in fact, with full power of substitution and revocation, at the cost and expense of the Borrower, and in the name of the Borrower or otherwise, to ask


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for, collect, demand, and receive, to prosecute and sue for, by proceedings in any court of law or equity or otherwise, to give acquittances for, all or any part of monies or goods due or to become due under the Contract, to withdraw, compromise or settle any claims, suits or proceedings pertaining to or arising out of this Assignment, upon any terms and conditions, all without notice to or assent from the Borrower, and further, to take possession of and indorse in the name of the Borrower any check, warrant or other instrument for the payment of money received on account of any monies due or to become due under the Contract. Bank shall have the additional powers to act on behalf of the Borrower and to perform any covenants, obligations or duties of Borrower under the Contract on behalf of and as attorney for the Borrower. Any monies advanced by Bank on behalf of Borrower shall be reimbursed by Borrower to Bank, upon demand, together with interest thereon at the maximum rate of non-usurious interest allowed from time to time by applicable law.

7. Security Agreement/Security Instruments. Borrower and the Bank agree that each and every term and condition contained in the Note, the Security Agreement and each of the Security Instruments executed of even date herewith to evidence the Loan shall become a part of this Assignment as if set forth verbatim herein. Any default or event of default under the Note, the Security Agreement, the Security Instruments or this Assignment shall constitute default or event of default under each of the named documents.

8. Default. Failure to pay any indebtedness secured thereby or any failure in the performance of any covenant, obligation or duty contained therein or in the Security Instruments shall be an event of default. After the occurrence of any default, the Bank may, at its option, without notice and without regard to the adequacy of the security for the indebtedness described in the Note and hereby secured, with or without bringing any action or proceeding, or by a receiver to be appointed by the court, take any of the following actions:

- (a) Cancel, enforce or modify the Contract;
- (b) Receive monies or goods due under the Contract;
- (c) Do any acts which the Bank deems proper to protect the Bank's interest in this Assignment;
- (d) In the name of Borrower or in its own name, sue to enforce the Contract;
- (e) Retain persons to perform the covenants, obligations and duties under the Contract and to manage the funds or goods to be received thereunder.
- (f) To apply any monies received to the costs and expenses of operation and collection related thereto including, but not limited to, reasonable attorneys fees, management fees and the like.



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Bank's taking any of the foregoing actions shall not cure or waive any default under the Note, the Security Agreement, the Security Instruments or this Assignment.

9. Cumulative Remedies, Non-Waiver of Default. No remedy conferred upon or reserved to the Bank herein or in the Note, the Security Agreement or the Security Instruments is intended to be exclusive of any other remedy. Each remedy shall be cumulative and concurrent, and shall be in addition to each other remedy now or hereafter existing under the named documents or at law. No delay or omission of the Bank to exercise any right or power under this Assignment, whether available before or upon default, shall impair any such right or power, or shall be construed to be a waiver of any such default or any acquiescence therein, and every power and remedy given by this Assignment to the Bank may be exercised from time to time and as often as may be deemed expedient by the Bank. The waiver by the Bank of any specific instance of default shall not be deemed a waiver of any subsequent default.


10. Borrower's Rights Before Default. This Assignment is intended as an absolute assignment, however, so long as Borrower shall not be in default under the Note, the Security Agreement, the Security Instruments or this Assignment, Borrower shall have the right to receive all benefits of the Contract, including receipt of all monies and goods due thereunder and shall have the right to retain, use and enjoy the same.

11. Binding Effect. This Assignment shall bind the Borrower, its successors and assigns and shall inure to the benefit of the Bank, its successors and assigns.

12. Severability, Governing Law. In the event any one or more of the provisions contained in this Assignment shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Bank, not affect any other provision of this Assignment, but this Assignment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. This Assignment shall be governed by and construed according to the laws of the State of Texas and shall be performable in the County of Harris, State of Texas.

13. Assignment. The assignment by Bank of the Note, the Security Agreement and the Security Instruments or any part thereof shall, without the requirement of an additional, separate document, operate as an assignment of this instrument and all of the Bank's rights hereunder.

EXECUTED this 23rd day of September, 1986.



John T. Golden

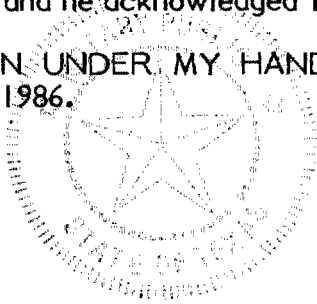


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THE STATE OF TEXAS X
 X
COUNTY OF HARRIS X

On this 23rd day of September, 1986, before me personally appeared John T. Golden, to me known to be the person described in and who executed the foregoing instrument, and he acknowledged that he executed the same as his act and deed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 23rd day of September, 1986.



JANE GLOS
Notary Public in and for the State of Texas
My Commission Expires 8/31/87

Jane Glos
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

My Commission Expires:

J. T. G.
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MANAGEMENT-AGREEMENT

THIS MANAGEMENT AGREEMENT ("AGREEMENT"), BY AND BETWEEN GLNX CORPORATION, A TEXAS CORPORATION ("GLNX"), HAVING ITS PRINCIPAL PLACE OF BUSINESS IN HOUSTON, TEXAS AND JOHN T. GOLDEN A RESIDENT OF HARRIS COUNTY TEXAS.

WITNESSETH:

WHEREAS, OWNER IS THE OWNER OF THE RAILWAY EQUIPMENT LISTED IN THE ATTACHED EXHIBIT "A" (THE "RAILWAY EQUIPMENT"), AND IS DESIROUS OF ENTERING INTO THE FOLLOWING AGREEMENT WITH GLNX, WHEREBY GLNX WILL MANAGE THE RAILWAY EQUIPMENT PURSUANT TO THE TERMS AND CONDITIONS HEREOF; AND

WHEREAS, GLNX IS DESIROUS OF UNDERTAKING THE MANAGEMENT OF THE RAILWAY EQUIPMENT PURSUANT TO THE TERMS AND CONDITIONS HEREOF;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND THE MUTUAL COVENANTS AND CONDITIONS SET FORTH HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE I APPOINTMENT

1. OWNER HEREBY APPOINTS GLNX TO MANAGE AND OTHERWISE SUPERVISE THE OPERATION OF THE RAILWAY EQUIPMENT IN THE NAME OF THE OWNER, OR IN THE NAME OF GLNX, BUT FOR THE ACCOUNT AND ON BEHALF OF THE OWNER PURSUANT AND SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT.

2. GLNX HEREBY ACCEPTS THE APPOINTMENT SET FORTH IN PARAGRAPH 1 OF THIS ARTICLE I AND AGREES TO PERFORM THE DUTIES AND OBLIGATIONS SET FORTH HEREIN. OWNER ACKNOWLEDGES AND AGREES THAT, WHEREAS GLNX HAS ACCEPTED THE RESPONSIBILITY OF MANAGING THE RAILWAY EQUIPMENT, EXCEPT AS SPECIFICALLY SET FORTH HEREIN TO THE CONTRAY OR AS PROVIDED BY LAW, GLNX SHALL HAVE THE SOLE FUNCTION AND OPERATIVE JUDGEMENT, TO BE EXERCISED IN A REASONABLE MANNER, FOR THE LEASING, OPERATION AND MANAGEMENT OF THE RAILWAY EQUIPMENT AND FOR ESTABLISHING AND IMPLEMENTING POLICIES AND STANDARDS AFFECTING THE RAILWAY EQUIPMENT OR THE OPERATION, MAINTENANCE OR REPAIR THEREOF. GLNX SHALL BE ENTITLED TO RELY UPON WRITTEN OR ORAL INSTRUCTIONS RECEIVED FROM OWNER AS TO ANY AND ALL ACTS TO BE PERFORMED BY GLNX.

1. OWNER DOES HEREBY DELIVER AND RELEASE TO GLNX THE RAILWAY EQUIPMENT FOR THE MANAGEMENT THEREOF BY GLNX, AND GLNX ACKNOWLEDGES DELIVERY AND RECEIPT THEREOF.

2. EXCEPT AS PROVIDED BELOW, OWNER SHALL BE RESPONSIBLE FOR THE PAYMENT OF ALL EXPENSES INCURRED IN CONNECTION WITH THE RAILWAY EQUIPMENT, INCLUDING AD VALOREM AND OTHER TAXES, FREIGHT, STORAGE, DESIGN CHANGES AND OTHER MODIFICATIONS REQUIRED BY GOVERNMENTAL OR INDUSTRY REGULATIONS OR TECHNOLOGICAL CHANGES, DEDUCTIBLES UNDER INSURANCE POLICIES, AND OTHER EXPENSES, LEVIES OR CHARGES, INCLUDING THE MANAGEMENT FEES (AS DEFINED IN ARTICLE V HEREOF), INCURRED IN CONNECTION WITH THE RAILWAY EQUIPMENT AND THE OPERATION AND LEASING THEREOF (ALL OF WHICH SHALL HEREINAFTER BE SOMETIMES COLLECTIVELY REFERRED TO AS THE "EXPENSES"). THE EXPENSES SHALL NOT INCLUDE, HOWEVER, MINOR AND MAJOR REPAIR AND MAINTENANCE WORK (INCLUDING, WITHOUT LIMITATION, RUNNING REPAIRS, CLEANING, PAINTING, AND PERIODIC INSPECTION COSTS) AND INSURANCE PREMIUMS AS PROVIDED HEREIN WHICH SHALL BE PAID BY GLNX.

3. OWNER AGREES TO PAY A PORTION OF THE AGGREGATE AD VALOREM, GROSS RECEIPTS, PROPERTY, OR SIMILAR TAXES LEVIED AGAINST ALL TANK CARS (INCLUDING THE RAILWAY EQUIPMENT) MANAGED OR OWNED BY GLNX (THE GLNX FLEET) IN AN AMOUNT EQUAL TO THE PERCENTAGE WHICH THE LEASE FEES (AS DEFINED IN PARAGRAPH 1 OF ARTICLE III) EARNED BY THE RAILWAY EQUIPMENT ARE OF THE GROSS RENTAL AND SERVICE CHARGES EARNED BY ALL TANK CARS IN THE GLNX FLEET.

4. IF THE LEASE FEES (AS DEFINED IN PARAGRAPH 1 OF ARTICLE III) EARNED BY THE RAILWAY EQUIPMENT ARE LESS THAN THE EXPENSES INCURRED OR REASONABLY FORESEEABLE IN CONNECTION WITH THE OPERATION AND MANAGEMENT OF THE RAILWAY EQUIPMENT HEREUNDER, GLNX WILL SO ADVISE THE OWNER IN THE QUARTERLY REPORT PROVIDED FOR UNDER ARTICLE III, PARAGRAPH 8 HEREOF, INCLUDING THE AMOUNT OF SUCH DEFICIENCY AND, IF REQUESTED BY GLNX, OWNER WILL REMIT TO GLNX WITHIN TEN DAYS OF RECEIPT OF THE QUARTERLY REPORT THE AMOUNT OF SUCH DEFICIENCY.

5. OWNER AGREES TO COOPERATE FULLY WITH GLNX AND TO PROVIDE ALL ASSISTANCE REASONABLY REQUESTED BY GLNX TO CARRY OUT ITS OBLIGATIONS HEREUNDER. THIS SHALL INCLUDE, SUBJECT TO THE PROVISIONS OF ARTICLE VI HEREOF, FULL COOPERATIONS AND ASSISTANCE IN ANY LAWSUIT OR OTHER SIMILAR MATTER OR PROCEEDING BEFORE ANY COURT OR AGENCY.

ARTICLE III
GLNX'S COVENANTS AND RESPONSIBILITIES

IN CONSIDERATION OF THE MANAGEMENT FEE PROVIDED FOR
HEREUNDER, GLNX AGREES TO UTILIZE REASONABLE TIME AND EFFORTS TO:

1. COLLECT THE RENTAL AND SERVICE CHARGES EARNED BY THE RAILWAY EQUIPMENT (THE "LEASE FEES"). SUCH DUTIES SHALL NOT, HOWEVER, BE DEEMED TO INCLUDE THE FILING OF A SUIT TO COLLECT SUCH LEASE FEES, ALTHOUGH GLNX MAY ELECT TO DO SO AT ITS OPTION BUT AT THE EXPENSE OF OWNER, SUBJECT TO THE PROVISIONS OF ARTICLE VI HEREOF.

2. USE ITS BEST EFFORTS TO OBTAIN LEASES FOR THE RAILWAY EQUIPMENT (INCLUDING RENEWAL OPTIONS) AND MAINTAIN THE RAILWAY EQUIPMENT UNDER LEASE THROUGHOUT THE TERM OF THIS AGREEMENT. GLNX SHALL EXECUTE ANY SUCH LEASE, IN GLNX'S SOLE DISCRETION, EITHER IN THE NAME OF OWNER OR IN THE NAME OF GLNX BUT FOR THE ACCOUNT AND ON BEHALF OF THE OWNER.

3. COMPLY WITH THE TERMS AND CONDITIONS OF ANY LEASE AGREEMENTS TO WHICH THE RAILWAY EQUIPMENT IS SUBJECT DURING THE TERM HEREOF. IT IS UNDERSTOOD, HOWEVER, THAT BEFORE GLNX SHALL BE OBLIGATED TO COMPLY WITH ANY LEASE, SUCH LEASE AND/OR AMENDMENTS MUST BE APPROVED, IN WRITING, BY GLNX.

4. MAKE ALL REQUIRED REGISTRATION AND OTHER FILINGS WITH THE INTERSTATE COMMERCE COMMISSION, THE ASSOCIATION OF AMERICAN RAILROADS, THE DEPARTMENT OF TRANSPORTATION AND ANY OTHER GOVERNMENTAL OR INDUSTRY AUTHORITY.

5. FILE APPLICABLE AD VALOREM AND OTHER TAX RETURNS AND PAY, FROM THE LEASE FEES OR FROM FUNDS ADVANCED BY OWNER, ALL SUCH TAXES DUE, IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE II, PARAGRAPH 3. GLNX MAY, HOWEVER, RETAIN DURING EACH CALENDAR YEAR OF THE TERM OF THIS AGREEMENT, AN AMOUNT EQUAL TO THREE PERCENT OF THE LEASE FEES RECEIVED DURING THAT CALENDAR YEAR TO COVER SUCH TAXES, BUT WILL, WITHIN 90 DAYS FOLLOWING THE END OF EACH CALENDAR YEAR, REMIT TO OWNER ANY AMOUNTS NOT REQUIRED FOR SUCH TAXES.

6. MAINTAIN ADEQUATE BOOKS AND RECORDS SUFFICIENT TO ACCOUNT PROPERLY FOR THE LEASE FEES, EXPENSES AND OTHER SUCH ITEMS APPLICABLE TO THE RAILWAY EQUIPMENT.

7. CONTRACT FOR OR OTHERWISE OBTAIN ALL REPAIR AND/OR MAINTENANCE WORK ON THE RAILWAY EQUIPMENT CONSIDERED NECESSARY BY GLNX, SUCH REPAIR AND/OR MAINTENANCE WORK TO BE PAID FOR BY GLNX, SUBJECT TO THE PROVISIONS OF ARTICLE II, PARAGRAPH 2.

8. PROVIDE PERIODIC REPORTS TO OWNER ON A QUARTERLY BASIS (THE "QUARTERLY REPORTS") WHICH SHALL SET FORTH THE LEASE FEES DERIVED FROM THE USE OF THE RAILWAY EQUIPMENT, AS WELL AS EXPENSES INCURRED OR THAT ARE REASONABLY FORESEEABLE TO BE INCURRED IN CONNECTION WITH THE RAILWAY EQUIPMENT. THE QUARTERLY REPORTS SHALL BE FOR THE QUARTERS ENDING MARCH 31, JUNE 30, SEPTEMBER 30, AND DECEMBER 31, AND WILL BE DELIVERED TO OWNER AS PROMPTLY AS IS REASONABLY POSSIBLE. SHOULD THE LEASE FEES EXCEED THE EXPENSES INCURRED IN CONNECTION WITH THE RAILWAY EQUIPMENT, PAYMENT OF THE EXCESS (EXCEPT FOR ANY AMOUNT RETAINED UNDER PARAGRAPH 5 AND THIS PARAGRAPH 8 OF ARTICLE III) SHALL ACCOMPANY THE QUARTERLY REPORT. SHOULD EXPENSES (INCURRED OR REASONABLY FORESEEABLE) EXCEED THE LEASE FEES FOR THE PERIOD IN QUESTION, THE QUARTERLY REPORT WILL SET FORTH THE AMOUNT TO BE REMITTED BY OWNER TO GLNX, IF REQUESTED. IT IS UNDERSTOOD THAT GLNX SHALL BE UNDER NO OBLIGATION TO ADVANCE FUNDS FOR PAYMENT OF THE EXPENSES, REGARDLESS OF THE RESULTS OF THE NONPAYMENT THEREOF. IT IS FURTHER UNDERSTOOD THAT GLNX SHALL HAVE THE AUTHORITY TO RETAIN PORTIONS OF LEASE FEES THAT EXCEED ACTUAL EXPENSES INCURRED TO COVER FUTURE EXPENSES THAT CAN BE REASONABLY FORESEEN TO EXCEED LEASE FEES FOR THE APPLICABLE FUTURE PERIOD OR PERIODS. SUCH RETENTION OF LEASE FEES SHALL BE ACCOMPLISHED ON A REASONABLE BASIS AND IN SUCH A MANNER AS TO MAINIMIZE THE EFFECT THAT SUCH RETENTION SHALL HAVE ON CASE DISTRIBUTIONS, IF ANY, MADE TO OWNER. NO ASSESSMENT FOR CASH DEFICIENCIES SHALL BE MADE TO OWNER, HOWEVER, TO THE EXTENT OF UNREMITTED MILEAGE CREDITS HELD BY GLNX.

9. MAINTAIN THE FOLLOWING INSURANCE COVERAGE ON THE RAILWAY EQUIPMENT: A POLICY OF GENERAL LIABILITY INSURANCE COVERING OWNER AND GLNX WITH LIMITS OF COVERAGE NOT LESS THAN THE AMOUNTS AND AGAINST THE RISKS INSURED AGAINST BY GLNX FROM TIME TO TIME ON RAILROAD EQUIPMENT OWNED BY GLNX; AND A POLICY OF PROPERTY INSURANCE WITH LIMITS OF COVERAGE OF NOT LESS THAN \$57,000 PER CAR, \$250,000 EACH OCCURRENCE, WITH NO MORE THAN A \$50,000 DEDUCTIBLE (TO BE PAID BY OWNER) EACH OCCURENCE, NAMING OWNER AS AN ADDITIONAL INSURED. IF AT ANY TIME, THE GENERAL LIABILITY INSURANCE MAINTAINED ON THE RAILWAY EQUIPMENT SHALL HAVE LIMITS OF LESS THAN \$10,000,000 OR SHALL NOT INCLUDE ASSUMED CONTRACTED COVERAGE, FOR WHATEVER REASON; OR IF THE AMOUNTS OF COVERAGE DESCRIBED ABOVE IS DECREASED, GLNX SHALL, NOT LESS THAN THIRTY (30) DAYS AFTER IT RECEIVED EFFECTIVE NOTICE OF THE DECREASE IN INSURANCE COVERAGE, GIVE WRITTEN NOTICE TO OWNER OF THE SAME. GLNX WILL PROVIDE THE OWNER AS PROMPTLY AS PRACTICAL, AFTER RECEIPT BY GLNX, A CERTIFICATE SETTING FORTH THE THEN EXISTING INSURANCE COVERAGE ON THE RAILWAY EQUIPMENT.

10. REASONABLY PURSUE ANY AND ALL WARRANTIES OR OTHER CLAIMS AGAINST MANUFACTURERS, USERS, LESSEES, RAILROADS AND OTHER PARTIES ON BEHALF OF OWNER. SUCH DUTIES SHALL NOT, HOWEVER, BE DEEMED TO INCLUDE THE FILING OF SUIT, ALTHOUGH GLNX MAY ELECT TO DO SO AT ITS OPTION, BUT AT THE EXPENSE OF OWNER, SUBJECT TO THE PROVISIONS OF ARTICLE VI.

ARTICLE IV TERM AND TERMINATION

1. SUBJECT TO THE PROVISIONS SET FORTH HEREIN, THIS AGREEMENT SHALL BE EFFECTIVE COMMENCING WITH THE AVERAGE DATE OF DELIVERY OF THE RAILWAY EQUIPMENT TO FIRST LESSEE AND SHALL AUTOMATICALLY TERMINATE TEN YEARS FROM SUCH DATE.

2. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, THE OWNER MAY TERMINATE THIS AGREEMENT BY GIVING GLNX WRITTEN NOTICE OF TERMINATION NOT LESS THAN THREE MONTHS PRIOR TO THE TERMINATION DATE DESIGNATED IN SUCH NOTICE; PROVIDED, HOWEVER, IF OWNER SHALL OWE GLNX ANY AMOUNTS UNDER THIS AGREEMENT, THE OWNER MAY NOT TERMINATE THIS AGREEMENT AS TO ANY OF THE RAILWAY EQUIPMENT UNTIL ALL SUCH AMOUNTS HAVE BEEN PAID. GLNX SHALL, AT ITS OPTION, BE ENTITLED TO CONTINUE TO LEASE AND OTHERWISE OPERATE AND MANAGE THE RAILWAY EQUIPMENT AND RETAIN ANY AND ALL LEASE FEES RECEIVED THEREFROM UNTIL ALL AMOUNTS OUTSTANDING AND/OR SUBSEQUENTLY INCURRED IN CONNECTION WITH SUCH CONTINUED LEASING OF THE RAILWAY EQUIPMENT HAVE BEEN PAID.

3. EXCEPT AS OTHERWISE PROVIDED IN ARTICLE IV, PARAGRAPH 4, SHOULD EITHER PARTY DEFAULT UNDER ITS OBLIGATIONS SET FORTH HEREIN, THE SOLE AND EXCLUSIVE REMEDY OF THE OTHER PARTY SHALL BE TO ADVISE THE DEFAULTING PARTY OF SUCH DEFAULT, AND SHOULD SUCH DEFAULT NOT BE CORRECTED WITHIN 30 DAYS OF SUCH NOTIFICATION, THE AGGRIEVED PARTY MAY, AT ITS OPTION, IMMEDIATELY TERMINATE THIS AGREEMENT; PROVIDED, THAT THE OWNER SHALL (IN ADDITION TO THE FOREGOING) PRESERVE AND RETAIN ANY RIGHTS THE OWNER MIGHT HAVE AT LAW OR IN EQUITY IF GLNX DEFAULTS IN ITS OBLIGATIONS UNDER ARTICLE III, PARAGRAPH 9, OR IF GLNX'S ACTIONS CONSTITUTE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

4. NEITHER GLNX NOR THE OWNER SHALL, BY REASON OF THE EXPIRATION OR THE TERMINATION OF THIS AGREEMENT IN ACCORDANCE WITH THE TERMS AND PROVISIONS HEREOF, BE LIABLE TO THE OTHER FOR COMPENSATION, REIMBURSEMENT OR DAMAGES, EITHER ON ACCOUNT OF PRESENT OR PROSPECTIVE PROFITS OR ON ACCOUNT OF EXPENDITURES, INVESTMENTS OR COMMITMENTS MADE IN CONNECTION THEREWITH OR IN CONNECTION WITH ESTABLISHMENT, DEVELOPMENT OR MAINTENANCE OF THE BUSINESS OR GOODWILL OF GLNX OR THE OWNER, OR ON ACCOUNT OF ANY OTHER CAUSE OR THING WHATSOEVER; PROVIDED, HOWEVER, THAT SUCH EXPIRATION OR TERMINATION SHALL NOT AFFECT THE RIGHTS OR LIABILITIES OF THE PARTIES WITH RESPECT TO ANY INDEBTEDNESS OWING BY EITHER PARTY TO THE OTHER; AND FURTHER PROVIDED, THAT SUCH EXPIRATION OR TERMINATION SHALL BE SUBJECT TO ANY THEN EXISTING LEASE, OR LEASES OF THE RAILWAY EQUIPMENT, AND GLNX, AT ITS OPTION, SHALL BE ENTITLED TO CONTINUE, PURSUANT TO THE TERMS AND

CONDITIONS OF THIS AGREEMENT, THE MANAGEMENT AND CONTROL OF ANY OF THE RAILWAY EQUIPMENT COVERED BY SUCH LEASE OR LEASES AS MAY BE NECESSARY FOR GLNX TO COMPLY WITH SUCH LEASE OR LEASES, INCLUDING THE RIGHT TO RETAIN THE LEASE FEES, MANAGEMENT FEE AND OTHER SUMS AS PROVIDED FOR HEREIN, UNTIL THE EXPIRATION OR TERMINATION OF SUCH LEASE OR LEASES. EXCEPT AS MAY BE OTHERWISE EXPRESSLY SET FORTH HEREIN, UPON THE EXPIRATION OR TERMINATION OF THIS AGREEMENT, ALL OBLIGATIONS OF THE PARTIES SHALL IMMEDIATELY CEASE. GLNX SHALL, HOWEVER, PROVIDE REASONABLE ASSISTANCE TO OWNER IN TRANSFERRING TO OWNER, ALL AT OWNER'S EXPENSE AND UPON OWNER'S REQUEST, ALL RECORDS, DATA AND OTHER INFORMATION RELATING TO THE RAILWAY EQUIPMENT AND IN ASSISTING OWNER IN THE IMPLEMENTATION OF SUCH RECORDS, DATA AND INFORMATION INTO OWNER'S OPERATIONS.

ARTICLE V

IN CONSIDERATION OF THE SERVICES OF GLNX HEREUNDER, OWNER SHALL PAY TO GLNX A MANAGEMENT FEE OF TWENTY-FIVE PER CENT (25%) OF THE LEASE FEES COLLECTED FOR EACH RAILWAY CAR INCLUDED IN THE RAILWAY EQUIPMENT (THE "MANAGEMENT FEE"). THE MANAGEMENT FEE SHALL BE DEDUCTED FROM THE REMITTANCE DUE QUARTERLY TO OWNER AS OTHERWISE PROVIDED HEREIN.

ARTICLE VI LEGAL ACTIONS

GLNX WILL GIVE WRITTEN NOTICE TO OWNER AT LEAST 10 DAYS PRIOR TO THE INSTITUTION OF LEGAL PROCEEDINGS BY GLNX OR NOT MORE THAN 10 DAYS AFTER BEING SERVED WITH PROCESS IN ANY LEGAL PROCEEDINGS AGAINST GLNX INVOLVING THE RAILWAY EQUIPMENT. UNLESS OTHERWISE DIRECTED IN WRITING BY OWNER GLNX MAY, AT ITS OPTION, INSTITUTE OR DEFEND, IN ITS OWN NAME OR IN THE NAME OF OWNER, OR BOTH, BUT NOT AGAINST EACH OTHER, AND IN ALL EVENTS AT THE EXPENSE OF THE OWNER, ANY AND ALL LEGAL ACTIONS OR PROCEEDINGS IT CONSIDERS NECESSARY HEREUNDER, INCLUDING THOSE TO COLLECT CHARGES, RENTS, CLAIMS OR OTHER INCOME FOR THE RAILWAY EQUIPMENT, OR LAWFULLY OUST OR DISPOSSESS LESSEES OR OTHER PERSONS IN POSSESSION THEREOF, OR LAWFULLY CANCEL, MODIFY OR TERMINATE ANY LEASE, LICENSE OR CONCESSION AGREEMENT FOR THE BREACH THEREOF OF DEFAULT BY A LESSEE, LICENSEE OR CONCESSIONAIRE OR TAKE ANY AND ALL NECESSARY ACTIONS TO PROTEST OR LITIGATE TO A FINAL DECISION IN ANY APPROPRIATE COURT OR OTHER FORUM ANY VIOLATION, ORDER, RULE, REGULATION, SUIT, CLAIM OR OTHER MATTER AFFECTING THE RAILWAY EQUIPMENT. GLNX SHALL KEEP OWNER CURRENTLY ADVISED OF ALL LEGAL PROCEEDINGS AND OWNER RESERVES THE RIGHT TO DIRECT GLNX TO TERMINATE ANY LITIGATION BROUGHT PURSUANT TO THE FOREGOING AUTHORITY.

ARTICLE VII ASSIGNMENT

THIS AGREEMENT IS NOT ASSIGNABLE BY EITHER PARTY EXCEPT WITH THE WRITTEN CONSENT OF THE OTHER PARTY; PROVIDED, HOWEVER, (A) THIS AGREEMENT TOGETHER WITH THE RAILWAY EQUIPMENT MAY BE

TRANSFERRED BY OWNER TO HIS ESTATE, HEIRS OR DEVISEES OR TO ANY PURCHASER AT A FORECLOSURE SALE WHERE THIS AGREEMENT AND THE RELATED RAILWAY EQUIPMENT ARE SOLD AS COLLATERAL SO LONG AS SUCH SALE COMPLIES WITH APPLICABLE FEDERAL OR STATE SECURITIES LAWS AND (B) MAY BE ASSIGNED BY GLNX IN CONNECTION WITH THE MERGER OR CONSOLIDATION OF GLNX INTO ANOTHER CORPORATION OR AS PART OF THE SALE OF SUBSTANTIALLY ALL OF THE ASSETS OF GLNX.

ARTICLE VII INDEMNIFICATION

OWNER AND GLNX JOINTLY AND SEVERALLY ACKNOWLEDGE, AGREE AND COVENANT THAT GLNX IS ENTERING INTO THIS CONTRACT AS AN INDEPENDENT CONTRACTOR, AND NEITHER PARTY HERETO SHALL TAKE ANY ACTION TO ALTER SUCH LEGAL RELATIONSHIP. OWNER SHALL HAVE NO RIGHT OR AUTHORITY, AND SHALL NOT ATTEMPT, TO ENTER INTO CONTRACTS OR COMMITMENTS IN THE NAME, OR ON BEHALF, OF GLNX, OR TO BIND GLNX IN ANY MANNER OR RESPECT WHATSOEVER. FURTHER, OWNER AGREES TO INDEMNIFY AND HOLD GLNX HARMLESS FROM ANY AND ALL CLAIMS, DEMAND, CAUSES OF ACTION (AT LAW OR IN EQUITY), COSTS, DAMAGES, REASONABLE ATTORNEY'S FEES, EXPENSES AND JUDGMENTS, WHICH MAY HEREAFTER BE ASSERTED BY ANY THIRD PARTY BASED ON OR RELATING TO THE RAILWAY EQUIPMENT OR THE OPERATION, INCLUDING THE LEASING, THEREOF, EXCEPT FOR ALL CLAIMS, DEMANDS, CAUSES OF ACTION (AT LAW OR IN EQUITY), COSTS, DAMAGES, REASONABLE ATTORNEY'S FEES, EXPENSES AND JUDGMENTS WHICH MAY HEREAFTER BE ASSERTED BY ANY THIRD PARTY BASED ON OR RELATING TO THE RAILWAY EQUIPMENT OR THE OPERATION, INCLUDING THE LEASING, THEREOF, EXCEPT FOR ALL CLAIMS, DEMANDS, CAUSES OR ACTION (AT LAW OR IN EQUITY), COSTS, DAMAGES, REASONABLE ATTORNEY'S FEES, EXPENSES AND JUDGMENTS WHICH MAY HEREAFTER BE ASSERTED BY ANY THIRD PARTY BASED ON OR RELATING TO ACTIONS TAKEN BY, OR INACTIONS OF GLNX IN CONNECTION WITH THE RAILWAY EQUIPMENT, WHICH ACTIONS OR INACTIONS WERE NOT AUTHORIZED HEREUNDER, WERE AUTHORIZED HEREUNDER BUT PERFORMED NEGLIGENTLY, OR WERE NOT SPECIFICALLY REQUESTED OR APPROVED BY OWNER; PROVIDED, THAT GLNX SHALL INDEMNIFY AND HOLD HARMLESS THE INVESTOR FROM ALL CLAIMS, DEMANDS, CAUSES OF ACTION (AT LAW OR IN EQUITY), DAMAGES, REASONABLE ATTORNEY'S FEES, EXPENSES AND JUDGMENTS WHICH MAY BE ASSERTED HEREAFTER BY ANY THIRD PARTY BASED ON OR RELATING TO ANY OF THE AFORESAID ACTIONS OR INACTIONS OF GLNX IN CONNECTION WITH THE RAILWAY EQUIPMENT.

ARTICLE IX ADDITIONAL AGREEMENTS

1. EACH PARTY HERETO SHALL PROMPTLY AND DULY EXECUTE AND DELIVER TO THE OTHER PARTY SUCH FURTHER DOCUMENTS, ASSURANCES, RELEASES AND OTHER INSTRUMENTS, AND TAKE SUCH FURTHER ACTIONS, INCLUDING ANY NECESSARY FILINGS AND THE EXECUTION OF A POWER OF ATTORNEY OF OWNER, AS THE OTHER PARTY MAY REASONABLY REQUEST, IN ORDER TO CARRY OUT MORE FULLY THE INTENT AND PURPOSE OF THIS AGREEMENT AND TO INDICATE THE OWNERSHIP OF THE RAILWAY EQUIPMENT DURING THE CONTINUANCE WITH THE RAILWAY EQUIPMENT.

2. IT IS UNDERSTOOD THAT UPON THE EXPIRATION OR TERMINATION OF THIS AGREEMENT AS TO ANY OR ALL OF THE RAILWAY EQUIPMENT, OWNER SHALL NO LONGER BE ENTITLED TO USE THE RECORDING AND UMLER CAR INITIALS AND NUMBERS AND OTHER DESIGNATIONS (THE "DESIGNATIONS") THAT ARE PRESENTLY THE PROPERTY OF GLNX. ACCORDINGLY, OWNER AGREES THAT IT WILL PROMPTLY UNDERTAKE UPON SUCH EXPIRATION OR TERMINATION, AT OWNER'S EXPENSE, ALL STEPS NECESSARY TO CHANGE PROMPTLY THE DESIGNATIONS ON THE RAILWAY EQUIPMENT NO LONGER INCLUDED UNDER THE AGREEMENT AND TO EXECUTE ANY AND ALL DOCUMENTS REQUESTED BY GLNX TO TRANSFER TO GLNX ANY RIGHTS OWNER MAY HAVE ACQUIRED TO SUCH DESIGNATIONS. GLNX AGREES TO PREPARE, AT GLNX'S EXPENSE, DOCUMENTATION AS, IN ITS OPINION, IS NECESSARY TO CHANGE ALL DESIGNATIONS ON THE RAILWAY EQUIPMENT FROM THE DESIGNATIONS OF GLNX TO THOSE ADOPTED BY OWNER, AND TO PROVIDE REASONABLE ASSISTANCE TO OWNER, AT OWNER'S EXPENSE, IN THE FILING OF SUCH DOCUMENTS.

3. ANY NOTICE OR OTHER COMMUNICATION BY EITHER PARTY TO THE OTHER SHALL BE IN WRITING, AND SHALL BE DEEMED TO HAVE BEEN DULY GIVEN IF EITHER DELIVERED PERSONALLY OR MAILED, POSTAGE PREPAID, REGISTERED OR CERTIFIED MAIL, ADDRESSED AS FOLLOWS:

GLNX: G L N X CORPORATION
1717 ST. JAMES PLACE, SUITE 300
HOUSTON, TEXAS 77056

OWNER: JOHN T. GOLDEN
C/O VINSON AND ELKINS,
FIRST CITY NATIONAL BANK, 21ST FLOOR
HOUSTON, TEXAS 77002

OR TO SUCH OTHER ADDRESS, AND TO THE ATTENTION OF SUCH OTHER PERSON OR OFFICER AS EITHER PARTY MAY DESIGNATE TO THE OTHER IN WRITING AS PROVIDED BY THIS PARAGRAPH.

4. THE OWNER OR HIS AUTHORIZED REPRESENTATIVE SHALL BE ENTITLED TO INSPECT THE BOOKS AND RECORDS OF GLNX APPLICABLE TO THE RAILWAY EQUIPMENT AT ANY REASONABLE TIME DURING THE OFFICE HOURS OF GLNX.

5. GLNX HEREBY CONFIRMS THAT IT WILL ACT AS AGENT OF OWNER IN ENTERING INTO AND PERFORMING ALL OBLIGATIONS AND DUTIES OF THE LESSOR UNDER ANY LEASE OF THE RAILWAY EQUIPMENT AND HEREBY ASSIGNS TO OWNER ALL RIGHTS OF THE LESSOR UNDER ANY SUCH LEASE, INCLUDING ANY RIGHTS OF INDEMNIFICATION OF THE LESSOR THEREUNDER; PROVIDED, THAT SUCH ASSIGNMENT SHALL NOT AFFECT OR MODIFY THE RELATIONSHIP BETWEEN, OR THE RESPECTIVE RIGHTS, OBLIGATIONS, AND DUTIES OF GLNX AND OWNER PURSUANT TO THIS AGREEMENT.

6. THIS AGREEMENT CONTAINS THE ENTIRE AGREEMENT OF THE PARTIES HERETO PERTAINING TO THE MANAGEMENT AND OPERATION OF THE RAILWAY EQUIPMENT. EXCEPT AS OTHERWISE PROVIDED HEREIN, THIS AGREEMENT MAY NOT BE MODIFIED OR AMENDED, EXCEPT BY EXPRESS, WRITTEN AGREEMENT SIGNED BY BOTH PARTIES HERETO. ANY WAIVER OF ANY OBLIGATION OF EITHER PARTY HERETO SHALL NOT BE CONSTRUED AS A CONTINUING WAIVER OF ANY SUCH OBLIGATION UNDER ANY PROVISION HEREOF.

7. THE TERMS AND PROVISIONS OF THIS AGREEMENT SHALL BE BINDING UPON AND INURE TO THE BENEFIT OF, AND BE ENFORCEABLE BY THE HEIRS, ADMINISTRATORS, EXECUTORS, SUCCESSORS AND ASSIGNS, IF ANY, OF THE PARTIES HERETO, SUBJECT TO THE PROVISIONS PERTAINING TO THE ASSIGNMENT HEREOF SET FORTH IN ARTICLE VII.

8. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

IN WITNESS WHEREOF, THE PARTIES HAVE HEREUNTO SET THEIR NAMES, EFFECTIVE THIS EIGHTEENTH (18) DAY OF NOVEMBER, 1980

G L N X CORPORATION

BY.....

PRESIDENT

JOHN T. GOLDEN

BY.....

OWNER

JOHN T. GOLDEN

EXHIBIT "A"

RAILWAY EQUIPMENT

CLASS

DOT 112J340W
TANK CAR

CAPACITY
IN GALLONS

33,000

CAR NUMBERS

GLNX 32016

GLNX

C O R P O R A T I O N

October 20, 1980

BA:1080-083

Mr. J. W. Henes
PETROSOL
410 6th Street S.W.
Calgary, Alta., T2P 1X2

RE: Tank Car Lease and Service Contract #570
and Rider No. 1 Thereto Dated 12th Day
September 1980

Dear Mr. Henes:

This is to confirm the car numbers which will be applied to the
subject Contract and Rider:

20 - DOT112J340W Tank Cars (New)
LAHX 34001 - 34020
15 - DOT112J340W Tank Cars (Used)
GLNX 32005 - 32019

Sincerely,



Bob Atnip
Vice-President - Sales

BA:rcl